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**Governor Patrick Signs \$26.8 Billion FY '08 State Budget**

*Spending plan reflects shared priorities, investment in the future*

BOSTON – Thursday, July 12, 2007 – Governor Deval Patrick today signed into law a \$26.8 billion FY 2008 state budget that increases state aid for local communities, lays the foundation for the next phase of education reform, restores public health programs and makes state government more efficient and effective.

Before signing the budget, the Governor thanked his partners in the Legislature for their collaborative and cooperative efforts and for helping to hold state spending to the smallest rate of growth in three years.

"I am proud to sign this budget into law," Governor Patrick said. "This is a working budget, built through collaboration between the Legislature and our administration, and based on shared priorities and a shared commitment to building a better Massachusetts."

Using his line-item veto authority, the Governor reduced spending by \$41.4 million to decrease levels of funding that exceed the needs of agencies or programs or that duplicate initiatives. The vetoes also address earmarks that are inconsistent with the mission of the program under which they were funded,

limiting the ability of government to exercise effective oversight and guarantee the efficient delivery of services.

"I remain committed to reducing the use of earmarks, as I believe public funds are put to their best use when distributed through a competitive and transparent grant process or as part of a comprehensive strategy to achieve an agency's policy mission," Governor Patrick said. "I look forward to working with the Legislature to find the right balance between providing appropriate flexibility to state agencies and respecting the Legislature's important role in helping establish our priorities."

The budget funds a number of the Patrick-Murray administration's priorities, including a \$6.8 million increase in Kindergarten Expansion Grants and doubled funding for Extended Learning Time Grants.

Other priorities funded in the budget include:

- A 5.8 percent total increase in Local Aid
- \$4 million to fund new police officers – augmenting another \$4 million for new police officers enacted in May
- over \$1.8 billion to maintain the administration's commitment to the Commonwealth's historic health reform law
- a \$12 million increase for the Universal Immunization Program, including funding to provide coverage for two new vaccines to prevent young people from contracting serious illness
- \$4 million for grants to help cities and towns streamline their permitting processes
- establishment of a State Retiree Benefits Trust Fund, to help make Massachusetts a pioneer in paying down its liability for public retiree health care costs

The budget also includes an innovative approach to distributing any end-of-year fiscal year 2007 surplus – dividing funds between the newly established Bay State Competitiveness Trust Fund and the Commonwealth Stabilization Fund. Funding deposited in the Bay State Competitiveness Trust Fund will help advance the administration's recent initiative to make Massachusetts a global leader in life sciences.

Included in the Governor's vetoes is:

- \$712,241 in anticipated federal grant funding for the Abstinence Education Grant Program. Federal restrictions on these funds prevent their use as part of a program of *comprehensive* sexuality education. With this decision, Massachusetts will become one of a growing number of states to opt out of this federal grant program.

- \$2.86 million for 29 earmarked projects under the Massachusetts Office of Travel and Tourism (MOTT) account. These projects are not sufficiently related to the scope of MOTT and the authorization of the Tourism Fund.
- \$10,473,000 for 58 earmarked projects under the Workforce Training Fund. Governor Patrick is deeply committed to workforce training and development. However, he is vetoing these earmarks because they push the Fund further into a deficit and circumvent criteria developed with the business community. Even with this veto, the budget will include \$21 million for competitive grants for workforce training and education through the Fund.
- \$10 million from a \$19.4 million increase in the trial court appropriation, still leaving the trial court with a funding increase for fiscal year 2008. Notably, the trial court will revert approximately \$4.3 million in fiscal year 2007.

The budget will be available online soon at  
<http://www.mass.gov/bb/gaa/fy2008/app08/ga08/hdefault.htm>